

N E W S
Arkansas Client Security Fund
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Victims of Lawyer Misconduct Reimbursed by Arkansas Client Security Fund

(Little Rock, Ark. – 07/23/09) The Arkansas Supreme Court Client Security Fund Committee today awarded a total of \$323,471.77 to nineteen (19) persons who suffered losses caused by the dishonest conduct of Arkansas lawyers, according to information released by the Committee. The \$323,471.77 awarded represents the largest yearly award in the Fund's history. During the past ten years, the Client Security Fund Committee has awarded a total of \$1,187,594.06 to victims of lawyer misconduct.

The nineteen (19) awards reimbursed losses caused by six former Arkansas lawyers who were either disbarred, surrendered their law license, or were suspended from the practice of law by the Committee on Professional Conduct. There are approximately 8,500 lawyers licensed to practice law by the Arkansas Supreme Court.

Funding for the Client Security Fund is provided by a portion of the annual license fee paid by each Arkansas lawyer licensed by the Arkansas Supreme Court. Seventeen dollars (\$17) of the annual license fee paid by each attorney is credited to the Arkansas Client Security Fund. No taxpayer money is used to fund the Client Security Fund.

The Client Security Fund Committee is comprised of five lawyers, one from each Congressional District and one from the State at large. The members are appointed to the Committee by the Arkansas Supreme Court and serve at the pleasure of the Court without compensation. The members of the Committee are Joann C. Maxey of Little Rock (Chair), Bill W. Bristow of Jonesboro, Earnest E. Brown, Jr., of Pine Bluff, Ray Fulmer of Fort Smith, and Benjamin C. McMinn of Little Rock.

The Client Security Fund Committee was established by the Arkansas Supreme Court in 1973 to protect clients from losses caused by the dishonest conduct of Arkansas lawyers. The Committee is authorized to make discretionary awards to a court-set maximum of \$40,000 per claim for wrongful acts committed by a lawyer in the nature of a theft or embezzlement of money or the wrongful taking or conversion of money, property, or other things of value by a lawyer. The wrongful act must have arisen out of a lawyer-client relationship or a fiduciary relationship between the lawyer and the claimant. The Client Security Fund does not compensate for alleged malpractice or resolve disputes over legal fees.

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